

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

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| IN RE:<br><br>INTERSTATE POWER AND LIGHT<br>COMPANY | DOCKET NO. SPU-02-21 |
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**ORDER REGARDING CONSULTANTS**

(Issued December 19, 2002)

On November 26, 2002, Interstate Power and Light Company (IPL) filed with the Utilities Board (Board) an application for reorganization pursuant to Iowa Code §§ 476.76 and 476.77 to transfer ownership of IPL's transmission facilities to TRANSLink Transmission Company, L.L.C. As part of the filing and pursuant to the Board's May 28, 2002, order in Docket No. M-150, IPL submitted its delineation of transmission and distribution facilities using the seven-factor test developed by the Federal Energy Regulatory Commission (FERC).

To assist in the evaluation of IPL's proposed delineation of transmission and distribution facilities, the Board issued a request for proposals (RFP) on August 2, 2002. As a result of the RFP, the Board hired KEMA Consulting, Inc. (KEMA). The Board expects KEMA to review the assumptions made by IPL in its analysis to ensure that these are consistent with good engineering practices used by IPL and other utilities regionally and nationally and to review the proposed delineation for compliance with applicable Board and FERC standards. In the event KEMA

questions some of the assumptions made by IPL, the Board anticipates that KEMA will ask IPL to produce additional computer runs with the assumptions made by KEMA. The Board expects KEMA to prepare a report describing, among other things, the process used by KEMA in evaluating the delineation, the additional analysis, if any, performed by KEMA, any revisions to the delineation that may be proposed by KEMA, and an evaluation of IPL's proposed delineation under the FERC seven-factor test.

To perform the analysis requested by the Board, KEMA will need to perform some of its work at IPL's facilities using the same computer model IPL used. This necessitates working side-by-side with IPL personnel. Because of ex parte concerns, KEMA personnel will, therefore, not be available to directly advise the Board and the Board will not have any conversations with KEMA personnel on any substantive matter during this process. KEMA's report will be filed in Docket No. SPU-02-21 when completed and KEMA personnel sponsoring the report will be available for cross-examination by any party, and the Board, at hearing.

Parties to the proceeding will be provided with the dates, places, and times that KEMA will be working side-by-side with IPL personnel so that they may observe the process. The Board emphasizes that parties may be present only to observe, not to interact with KEMA or IPL personnel as KEMA performs its work. Other parties will not be allowed to make suggestions or comments to KEMA regarding its analysis or any other aspect of its work. If other parties want, for example, different assumptions

included in any computer run, they will need to avail themselves of the discovery process contained in the Board's rules.

Frank Bodine, Manager of the Board's Policy Development Section, will be the Board's liaison with KEMA and will notify parties of the work schedule. Like KEMA personnel, Mr. Bodine will not advise the Board on any substantive matters in this docket. Parties will be notified of the work schedule by e-mail. Parties wishing to receive this notification should contact Mr. Bodine by telephone at (515) 281-8825 or e-mail at frank.bodine@iub.state.ia.us.

**IT IS THEREFORE ORDERED:**

1. The Utilities Board hereby notifies parties to this proceeding that it has retained KEMA Consulting, Inc., to perform the work described in the body of this order in Docket No. SPU-02-21.

2. Parties to this proceeding shall notify Frank Bodine by telephone or e-mail if they wish to be notified by e-mail of the dates, places, and times when KEMA will work side-by-side with IPL personnel.

**UTILITIES BOARD**

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Sharon Mayer  
Executive Secretary, Assistant to

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 19<sup>th</sup> day of December, 2002.